PROVINCE OF BRITISH COLUMBIA

Fifty-Fifth Annual Report

of the Business Done in Pursuance of the

Pension (Public Service) Act

YEAR ENDED MARCH 31

1990

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The Honourable DAVID C. LAM,
Lieutenant-Governor of the Province of British Columbia

MAY IT PLEASE YOUR HONOUR:

The undersigned respectfully submits the Report of the business done in pursuance of the *Pension (Public Service) Act* during the fiscal year ended March 31, 1990.

CAROL GRAN
Minister of Government Management Services
and Minister Responsible for
Women's Programs

Office of the Minister of
Government Management Services and
Minister Responsible for
Women's Programs
Victoria, British Columbia
March 21, 1991

The Honourable CAROL GRAN
Minister of Government Management Services
and Minister Responsible for
Women's Programs
Victoria, British Columbia

MADAM:

I have the honour to lay before you the Report of the business done in pursuance of the *Pension (Public Service) Act* during the fiscal year ended March 31, 1990.

Respectfully submitted,

JOHN W. COOK
Superannuation Commissioner

March 21, 1991

PENSION (PUBLIC SERVICE) ACT

ANNUAL REPORT

Report of the business done in pursuance of the *Pension (Public Service) Act* for the fiscal year ended March 31, 1990

Sections 1,3,4,6,7,8,10,13,15,17,19,41 (members' and employers' contributions) — Members' contributions amounted to $77,123,215 (1989 — $71,169,734) made up as follows:

	$
Current and arrears	76,014,454
Voluntary	127,927
Purchase of service	661,385
Reinstatement	319,449
	77,123,215

As at March 31, 1990 there were 41,818 (1989 — 41,820) active contributors.

Employers' contributions amounted to $109,555,847 (1989 — $101,778,295) made up as follows:

Minister of Finance and Corporate Relations	$
Current and arrears	70,279,925
Purchase of service	521,755
Reinstatement	357,511
	71,159,191
Other employers —	
British Columbia Assessment Authority	2,001,341
British Columbia Buildings Corporation	2,282,341
British Columbia Ferry Corporation	7,883,613
British Columbia Housing Management Commission	576,171
British Columbia Institute of Technology	2,186,450
British Columbia Mental Health Society	3,866,472
British Columbia Pavilion Corporation	366,602
British Columbia Petroleum Corporation	74,151
British Columbia Place Stadium	50,998
British Columbia Steamship Company (1975) Ltd.	794
British Columbia Systems Corporation	2,124,106
British Columbia Trade Development Corporation	146,587
British Columbia Transit (Net of M.T.O.C.)	8,745,541
Emergency Health Services Commission	2,162,026
Liquor Distribution Branch	5,293,671
Employees' union, credit unions and associations	372,121
Post Secondary Education Councils	39,053
Regional colleges	11,145
	38,183,183
Purchase of service	213,473
	109,555,847

Section 11 — As at March 31, 1990 deposits with the bank at the credit of the Public Service Superannuation Fund amounted to $1,292,788 (1989 — $438,597). Short-term investments amounted to $14,886,000 (1989 — $10,499,751). Investments in Units of the Province of British Columbia Pooled Investment Portfolios amounted to $1,026,905,142 (1989 — $1,118,318,760). These units all have maturities of less than one year. Long-term investments held by the Fund amounted to $2,399,455,890 (1989 — $2,002,989,113) at book value and are detailed on Schedule 1. Equity investments amounted to $24,611,370 (1989 — $23,329,987). A comparative summary of investment transactions and earnings is attached to this report in Schedule 2.

Section 12 — Income from investments earned by the Fund during the year amounted to $352,474,245 (1989 — $303,440,848).

Income is distributed to the accounts of the Fund at interest rates specified in the Acts or Regulations. For members entering service prior to April 1, 1958, a rate of 5% per annum was used. For members entering service subsequent to April 1, 1958, interest at 4% per annum was used for all accounts until September 30, 1974. At that time interest of 6% was used for contributions to the Voluntary Account.

An order-in-council was proclaimed in 1984 which changed interest rates paid to member and employer accounts to a fluctuating rate based on the lesser of the net earned rate of the Fund or the average interest rate paid on three major chartered banks non-chequing savings accounts. This interest rate is subject to a 6% minimum. For the period April 1, 1989 to March 31, 1990, this rate was 8.25% per annum compounded semi-annually.

For 1989/90, the interest credited to the accounts of the Fund was as follows:

	$
Members' Compulsory Contributions Basic Account	51,132,837
Members' Compulsory Contributions Inflation Adjustment Account	9,401,581
Members' Voluntary Contributions Account	402,649
Employer Contributions Basic Account	51,448,449
Employer Contributions Inflation Adjustment Account	9,455,099
Contributory Pensions Account	53,447,565
Special Agreement Account re certain former employees of B. C. Hydro and Power Authority	2,143
Special Agreement Account re certain employees of the Liquor Distribution Branch	1,343
Special Agreement Account re certain former employees of Medical Services Association	5,544
Reserve Account	154,914,361
Inflation Adjustment Pension Reserve	22,262,674

An Investment Advisory Committee, consisting of the Superannuation Commissioner and the Director, Finance, Superannuation Commission, together with representatives from the Ministry of Finance and Corporate Relations, the British Columbia Government Employees Union, and the B.C. Government Retired Employees Association meets on a quarterly basis during the year to determine an investment strategy for the succeeding quarter.

The investment strategy is to achieve and maintain a total asset mix of 30% short-term and 70% long-term investments.

The Provincial Treasury provides financial services to the Pension Fund which includes safekeeping and registration of securities and investment management services. The Fund was charged $736,617 (1989 — $689,105) for these services.

Section 14 — All monies received and paid out under the provisions of this Act are shown in the statement of changes in fund balance and the assets and liabilities appertaining to the granting of superannuation allowances are shown in the statement of financial position. These financial statements are attached to this report.

Pursuant to the 1980 amendments to the Act, these financial statements reflect the creation of an Inflation Adjustment Account for the purpose of financing the annual inflation adjustment supplementary allowances.

Sections 15, 17, 18, 19, and 20 — During the year 646 allowances were granted as follows:

Normal retirement	447
Total and permanent disability	90
Deferred allowances	69
Dependents upon death in service	40

As at March 31, 1990 there were 2,124 (1989 — 1,850) former contributors with credits in the Fund who were eligible to apply for deferred superannuation allowances after attaining the minimum retirement age.

The present value of the 646 new allowances granted during the year under the *Pension (Public Service) Act*, in the amount of $61,222,880 was credited to the Contributory Pensions Account from the following sources:

	$
Members' Compulsory Contributions Basic accumulated with interest	15,779,107
Members' Voluntary Contributions Account with interest	47,393
Employer Contributions Account	45,396,380

Section 16 — Transfers totalling $1,458,973 were received from 1 reciprocal and 4 other pension funds in respect of 34 contributors following transfer of service as follows:

During service —		$
Government of Canada Public Service Pension Account	23	915,737
Province of Alberta Public Service Pension Fund	8	312,781
Province of Nova Scotia Public Service Pension Fund	1	124,811
Province of Ontario Public Service Pension Fund	1	105,339
Municipal Superannuation Fund	1	305

By special arrangement, Crown Life Insurance Company reimbursed the Fund amounts totalling $173,796 (1989 — $176,929) representing that portion of the superannuation allowances received by former employees of the Liquor Distribution Branch that had been purchased from the Company prior to August 1, 1961.

Transfers totalling $1,169,498 were made to 2 reciprocal and 5 other pension funds in respect of 30 contributors following transfer of service.

During Service —		$
College Pension Fund	1	53,728
Municipal Superannuation Fund	3	12,062
Province of Ontario Public Service Pension Fund	1	74,838
Government of Canada Public Service Superannuation Account	22	738,506
Province of Alberta Public Service Pension Fund	1	8,577
Province of Manitoba Public Service Pension Fund	1	11,102
City of Winnipeg Pension Fund	1	270,685

Sections 18(7), 22 and 23 — Refunds totalling $19,654,786 were granted in respect of 3,688 former contributors as follows:

		$
Resignations	3,404	19,140,800
Death in service	40	479,095
Excess and voluntary contributions on grant of allowance	56	13,355
Miscellaneous	188	3,536

Of the refunds granted, 68 were payable to former contributors who were entitled to leave their credits in the Fund in order to receive a deferred superannuation allowance after attaining the minimum retirement age.

Section 27 — Administration and actuarial expenses amounting to $2,104,260 (1989 — $2,220,626) were paid from the Fund.

An actuarial valuation of the assets and liabilities of the Fund is required to be made by an actuary from time to time at intervals of not more than five years. The most recent valuation was carried out as at March 31, 1987.

The valuation indicated an unfunded liability in respect of basic pension benefits of approximately $456,062,000 as of March 31, 1987. This represents a decrease of $99,796,000 since March 31, 1984.

Section 42 — Inflation adjustment supplements totalling $31,149,521 (1989 — $26,640,639) were charged to the Contributory Pensions Account. The annual increases are tied to the consumer price index and are payable to the extent that the capitalized value is available in the Inflation Adjustment Account. Members and employers also each contribute 1.25% of salary to the Inflation Adjustment Account. Interest earnings attributable to funds held for the payment of contributory allowances in excess of the rate assumed by the actuary are also allocated to this Account.

Comparative, statistical and detail schedules of contributions, refunds and allowances granted and in force at the year end are attached to this report.

Sections 43, 44, 45 and 46 — Death Benefits Fund claims payments totalling $183,500 (1989 — $183,900) and sources of funds to this Fund are summarized in Schedule 9 attached to this report.

JOHN W. COOK, F.C.I.A.
Superannuation Commissioner

Legislative Assembly
Province of British Columbia

AUDITOR GENERAL

8 Bastion Square
Victoria
British Columbia
V8V 1X4
Telephone: (604) 387-6803
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AUDITOR'S REPORT

To the Superannuation Commissioner, Trustee

To the Minister of Government Management Services and Minister Responsible for Women's Programs, Province of British Columbia, and

To the Minister of Finance and Corporate Relations, Province of British Columbia:

I have examined the statement of financial position of the Public Service Superannuation Fund as at March 31, 1990 and the statement of changes in fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1990 and the changes in the fund balance for the year then ended in accordance with the accounting principles described in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

GEORGE L. MORFITT, F.C.A.
Auditor General

Victoria, British Columbia
August 3, 1990

PUBLIC SERVICE SUPERANNUATION FUND

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 1990

	1990	1989
	($ Thousands)	
ASSETS	$	$
Cash	1,293	439
Contributions receivable	18,551	17,733
Due from Members of the Legislative Assembly Superannuation Account (Note 7)	1,102	925
Accrued interest	63,263	52,531
Investments (Note 3)	3,465,858	3,155,148
Deferred losses less gains on sale of investments (Note 4)	8,663	8,538
	3,558,730	3,235,314
LIABILITIES		
Accounts payable and accrued liabilities	2,987	11,991
FUND BALANCE		
Basic Account	3,107,182	2,842,913
Inflation Adjustment Account	448,561	380,410
	3,555,743	3,223,323
	3,558,730	3,235,314

The eight accompanying notes are an integral part of these financial statements

APPROVED BY:

JOHN W. COOK, F.C.I.A.,
Superannuation Commissioner

VICTOR BARWIN, C.A.,
Director, Finance, Superannuation Commission

PUBLIC SERVICE SUPERANNUATION FUND

STATEMENT OF CHANGES IN FUND BALANCE FOR THE YEAR ENDED MARCH 31, 1990

	Basic Account	Inflation Adjustment Account	Totals 1990	Totals 1989
		($ Thousands)		
Fund Balance Increased by				
Members' contributions	$	$	$	$
Current	59,583	16,431	76,014	68,694
Voluntary	128	—	128	95
Purchase of service	617	44	661	1,992
Reinstatement	320	—	320	388
	60,648	16,475	77,123	71,169
Employers' contributions				
Province of British Columbia				
Current	59,665	10,615	70,280	64,283
Purchase of service	493	29	522	1,944
Reinstatement	357	—	357	409
Other Employers				
Current	32,972	5,211	38,183	33,253
Purchase of service	212	2	214	214
Early Retirement Incentive Program	—	—	—	1,675
	93,699	15,857	109,556	101,778
Transfers from other funds	1,408	224	1,632	1,216
Transfers from Members of the Legislative Assembly Superannuation Account (Note 7)				
Capitalized value of contributory allowances	1,090	—	1,090	911
Inflation adjustment contributions	—	28	28	29
Income from investments	311,355	41,119	352,474	303,441
Total Increase	468,200	73,703	541,903	478,544
Fund Balance Decreased by				
Superannuation allowance payments				
Contributory	136,763	—	136,763	134,086
Inflation adjustment supplements	31,150	—	31,150	26,640
	167,913	—	167,913	160,726
Refunds	16,075	3,580	19,655	22,790
Transfer Option for Privatized Employees (Note 5)	15,216	2,690	17,906	26,388
Transfers to other funds	1,034	135	1,169	1,022
Administration and actuarial fees	2,104	—	2,104	2,221
Investment management fees	650	86	736	689
Total Decrease	202,992	6,491	209,483	213,836
Net Increase Before Transfers	265,208	67,212	332,420	264,708
Transfers (Note 6)	(939)	939	—	—
Net Increase In Fund Balance	264,269	68,151	332,420	264,708
Fund Balance at Beginning of Year	2,842,913	380,410	3,223,323	2,958,615
Fund Balance at End of Year	3,107,182	448,561	3,555,743	3,223,323

PUBLIC SERVICE SUPERANNUATION FUND

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 1990

1. DESCRIPTION OF THE PUBLIC SERVICE SUPERANNUATION PLAN

The following brief description of the plan is provided for general information only. For more complete information about the plan, reference should be made to the *Pension (Public Service) Act*.

(a) General

The plan is a defined benefit pension plan open to eligible employees of the public service and certain Crown corporations, agencies, institutions and other employers to which the *Pension (Public Service) Act* applies.

(b) Contributions

Members contribute to the Basic Account 4¼% of salary up to the Canada Pension Plan's Year's Maximum Pensionable Earnings and 5¾% on earnings above that. Employers contribute to the Basic Account 6¾% of salary up to the Year's Maximum Pensionable Earnings and 8¼% on earnings above that. Members and employers also each contribute 1¼% of salary to the Inflation Adjustment Account which was created in 1980 to provide for the payment of inflation adjustment supplements.

(c) Retirement Benefits

Members are eligible for an unreduced pension at an age within 5 years of normal retirement age with at least 10 years contributory service, or at age 55 with 35 years contributory service. A reduced pension is payable at an age 10 years under normal retirement age with at least 10 years contributory service.

The plan provides for a pension of 2% of the highest 5-year average salary for each year of pensionable service (to a maximum of 35 years). At age 65, or date of death or disability, if earlier, there is a reduction in the formula as a result of integration with the Canada Pension Plan.

The inflation adjustment supplements are provided each January 1st and are related to the annual increase in the Consumer Price Index (CPI) as at the previous September 30th. The increase is pro-rated if the capitalized value of the increase exceeds the funds available in the Inflation Adjustment Account. As there were sufficient funds available at January 1, 1989, a full CPI increase of 4.1% (1988 — 4.5%) was provided to the basic lifetime portion of the contributory superannuation allowances in force. Sufficient funds were also available to provide a full CPI increase of 5.2% effective January 1, 1990.

(d) Termination and Portability Benefits

A terminating member may choose between leaving accumulated contributions on deposit or obtaining a refund. The refund includes interest credited. Members with at least 10 years of contributory service who leave contributions in the Fund are entitled to deferred pension benefits. Those members not withdrawing contributions may carry certain pension rights to other pension plans that have portability arrangements with the Public Service Superannuation Plan. New members may also, under portability arrangements, transfer contributions and service from other plans to provide for, or to increase, pension benefits under the Public Service Superannuation Plan.

(e) Other Benefits

Disability and survivor benefits are available under the plan.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) General Information

These financial statements have been prepared on the accrual basis of accounting. They show only the financial position of the Fund as at March 31, 1990 and the changes in Fund balance for the year then ended and do not purport to show the adequacy of the Fund to meet the obligations of the superannuation plan. The results of the latest actuarial valuation of the plan are described in Note 8 below.

(b) Investments

(i) Short-term investments are carried at cost of acquisition.

(ii) Units in Pooled Investment Portfolios are carried at the cost of acquisition adjusted by income attributed to the units. Income attributed to the units represents the Fund's share of investment income earned by the Portfolios and is realizable by the Fund upon the sale of the units.

(iii) Long-term bonds and notes are those purchased with a term in excess of one year. They are carried at cost of acquisition adjusted by the amortization of discounts and premiums on a constant yield basis over the remaining terms of the bonds and notes. Discounts on serial bonds are recognized as income when redemptions occur.

(iv) Shares are carried at cost adjusted annually by 7% of the difference between cost or adjusted cost and market value.

(c) Deferred Losses Less Gains on Sale of Investments

Gains and losses on disposal of long-term bonds and notes are deferred and amortized on a straight line basis over the lesser of the remaining terms of the bonds and notes or twenty years. The amortization is included in income from investments.

3. INVESTMENTS

The value of investments held at the end of the year was as follows:

	Book Value		Market Value	
	1990	1989	1990	1989
	($ Thousands)			
Short-term investments	$ 14,886	$ 10,500	$ 14,794	$ 10,416
Units in Province of British Columbia Pooled Investment Portfolios	1,026,905	1,118,319	1,023,704	1,117,357
Long-term investments	2,399,456	2,002,999	2,284,559	1,946,460
Equities	24,611	23,330	43,767	36,430
	$3,465,858	$3,155,148	$3,366,824	$3,110,663

4. DEFERRED LOSSES LESS GAINS ON SALE OF INVESTMENTS

	1990	1989
	($ Thousands)	
Balance at beginning of year	$8,538	$7,320
Losses less gains on sale of investments	1,398	1,778
	9,936	9,098
Amortization for the year	1,273	560
Balance at end of year	$8,663	$8,538

5. PENSION OPTIONS FOR PRIVATIZED EMPLOYEES

Special pension options were available to members who ceased to be employed by the Province of British Columbia because their employment was transferred out of the public service as a result of privatization. Those members were able to receive a refund of their contributions (refund option), leave their contributions in the pension plan and then be eligible for a deferred pension (deposit option), or transfer the value of their pension to a personal registered retirement savings plan or other pension plan (transfer option). The value of the transfer options granted was $17,906,301 (1989 — $26,388,350).

6. TRANSFERS

	1990		1989	
	Basic Account	Inflation Adjustment Account	Basic Account	Inflation Adjustment Account
	($ Thousands)			
Capitalized Value of inflation adjustment supplements granted	$ 65,850	$(65,850)	$ 48,684	$(48,684)
Capitalized Value of indexing of highest average salary on deferred pensions	1,320	(1,320)	760	(760)
Excess Interest	(68,109)	68,109	(49,908)	49,908
Other	—	—	(10,024)	10,024
	$ (939)	$ 939	$ 10,488	$(10,488)

The excess interest is the income that is earned on assets held in the Basic Account in respect of pensions being paid, and which is in excess of income calculated using the interest rate assumed by the Actuary.

7. TRANSFERS FROM THE MEMBERS OF THE LEGISLATIVE ASSEMBLY SUPERANNUATION ACCOUNT

Former Members of the Legislative Assembly who have been granted superannuation allowances are paid contributory allowances and inflation adjustment supplements from the Public Service Superannuation Fund (the Fund).

A contributory allowance is financed at the time the allowance is first granted by the transfer to the Fund from the Members of the Legislative Assembly Superannuation Account (the Account) of the capitalized value of the contributory allowance.

Former members receiving an allowance who are re-elected to the Legislature cease to receive an allowance and resume contributing to the Account. In addition, an amount equal to the capitalized value of their superannuation allowance is transferred from the Public Service Superannuation Fund to the Account.

During the year ended March 31, 1990, 3 Members (1989 — 2) were granted superannuation allowances. The capitalized value of these allowances was $1,089,738 (1989 — $910,583) which, along with the balance of current year inflation adjustment contributions of $12,186 (1989 — $14,871), is due from the Account.

8. ACTUARIAL VALUATION

According to the *Pension (Public Service) Act*, an actuarial valuation of the assets and liabilities of the Fund is required to be made by an Actuary at least once in each consecutive period of not more than 5 years. The most recent valuation was carried out as at March 31, 1987. The valuation indicated a decrease in the unfunded liability in respect of basic pension benefits from $555,858,000 as of March 31, 1984 to $456,062,000 as of March 31, 1987. This decrease is the net result of a number of items, the most significant being greater than forecast income from investments, offset by experience gains and losses on other actuarial assumptions.

The contributions required under the pension plan were determined under a "level contribution" funding method. This method expresses employer contributions as a constant percentage of future payrolls that, together with future employee contributions and investment earnings, will finance the benefits for a typical new entrant to the plan and, in addition, will maintain the unfunded liability as a constant percentage of future payrolls.

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 1—*Page 1 of 2*

LONG-TERM INVESTMENTS HELD AS AT MARCH 31, 1990

	Par Value	Book Value	Market Value
	$	$	$
Government of Canada	1,363,126,000	1,325,354,848	1,277,818,730
Government of Canada guaranty			
Federal Business Development Bank	10,000,000	9,959,907	9,563,500
Export Development Corporation	4,000,000	3,930,313	3,833,600
Province of Alberta	18,200,000	18,115,177	16,930,000
Province of British Columbia	144,411,000	143,761,064	140,518,457
Province of Manitoba	74,860,000	74,953,758	73,287,587
Province of Nova Scotia	4,250,000	4,375,437	4,353,125
Province of Ontario	1,000,000	939,136	810,000
Province of Prince Edward Island	1,000,000	998,672	953,260
Province of Quebec	21,675,000	21,566,958	21,184,958
Province of Saskatchewan	42,776,000	42,624,641	39,823,761
Province of Alberta guaranty			
Alberta Municipal Finance Corporation	2,000,000	2,198,230	2,032,500
Alberta Telephone	5,866,000	5,541,452	5,156,515
Province of British Columbia guaranty			
British Columbia Hydro and Power Authority	294,080,000	292,950,208	260,307,231
British Columbia Railway Company	86,848,000	86,770,251	82,551,788
British Columbia Power Commission	38,000	35,546	31,208
British Columbia School Districts Capital Financing Authority	19,000,000	18,982,349	18,826,740
British Columbia improvement districts	7,455,000	7,432,330	6,372,395
British Columbia municipalities	433,616	426,133	402,403
Province of Manitoba guaranty			
Manitoba Telephone Systems	70,000	69,078	60,900
Province of New Brunswick guaranty			
New Brunswick Electric	2,000,000	2,010,218	2,000,120
Province of Newfoundland guaranty			
Newfoundland and Labrador Hydro-electric Corporation	700,000	697,137	611,625
Newfoundland Municipalities Capital Financing Authority	1,000,000	997,209	903,750
Province of Nova Scotia guaranty			
Nova Scotia Power Corporation	347,000	335,627	282,371

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 1—*Page 2 of 2*

LONG-TERM INVESTMENTS HELD AS AT MARCH 31, 1990

	Par Value	Book Value	Market Value
	$	$	$
Province of Ontario guaranty			
Ontario Hydro-electric Power Commission	270,739,000	271,237,814	255,833,958
Province of Quebec guaranty			
Quebec Hydro-electric Commission	62,400,000	62,066,544	58,986,340
Eurobank guaranty			
World Bank Notes	1,000,000	998,802	990,950
Corporate Bonds			
B.C. Telephone Company	50,000	41,126	44,187
Consumers' Gas	50,000	41,916	43,115
Hudson's Bay Company Acceptance	50,000	44,009	43,901
Total Value of Bonds and Notes	2,439,424,616	2,399,455,890	2,284,558,975
Shares			
Bank of British Columbia (122,106)	—	949,494	178,275
British Columbia Telephone Company (2,431,688)	—	23,587,477	43,466,423
Canadian Pacific Limited (3,600)	—	47,531	87,750
Imperial Oil Limited (300)	—	14,212	18,412
International Nickel Company of Canada Ltd. (450)	—	12,655	16,431
Total Value of Shares	—	24,611,370	43,767,291
1990 Totals	2,439,424,616	2,424,067,260	2,328,326,266
1989 Comparisons	2,061,752,199	2,026,329,100	1,982,889,944

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 2

INVESTMENT INTEREST AND TRANSACTIONS

Comparative Statistics, April 1, 1980 to March 31, 1990

Year Ended March 31	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
	%	%	%	%	%	%	%	%	%	%
Net earned rate of the Fund	9.41	12.42	12.37	10.75	11.14	10.73	10.15	9.87	10.32	10.91
	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)	$ (000)
Income from investments	81,107	158,574	160,104	171,476	205,668	226,015	240,416	261,335	303,441	352,474
Net increase (decrease) in long-term investments										
Bonds — par value	214,221	(2,566)	106,694	116,672	84,611	485,174	201,914	160,083	151,846	377,672
Shares — book[1]	277	—	728	675	1,348	1,752	2,039	898	852	1,281
Fund balance	982,343	1,263,982	1,537,845	1,795,158	2,063,573	2,334,072	2,622,704	2,958,615	3,223,323	3,555,743

[1] In 1982/83 the government changed the basis of valuation of shares. Formerly carried at cost, shares are now carried at cost adjusted by 7% of the difference between the cost or adjusted cost and market value.

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 3

Main Comparative Statistics, April 1, 1980 to March 31, 1990

Fiscal Year	Contributions				Refunds to Minister of Finance	Member Refunds		Superannuation Allowances				
		Member									Amount Paid	
	Number of Contributors	Regular (3)	Voluntary Reinstatement and Purchase of Service	Employer (3)		Number	Amount	Number Granted	Deaths and Expirations	Number in Force at End of Year	Contributory (4)	Inflation Adjustment Supplement (4)
		$	$	$	$		$				$	$
1980/81	47,857 3,640[1]	54,348,447	1,273,020	78,503,914	4,503,644	4,075	12,248,437	709 1[2]	151 1[2]	7,214 47[2]	30,239,736	11,451,709
1981/82	49,057 3,944[1]	64,956,872	1,799,625	91,003,851	—	5,148	16,102,436	828 —	134 —	7,908 47[2]	48,484,023	1,254,158
1982/83	50,396 3,871[1]	71,961,004	1,003,865	106,667,203	—	2,845	9,646,423	825 1[2]	146 —	8,587 48[2]	54,636,332	6,279,568
1983/84	49,055 3,939[1]	70,323,298	1,666,010	100,493,730	—	3,448	14,616,005	952 9[2]	160 —	9,379 57[2]	62,038,243	10,789,647
1984/85	45,135 4,079[1]	66,712,654	945,024	95,774,735	—	4,888	24,310,679	1,509[5] 1[2]	146 1[2]	10,742 57[2]	74,001,929	13,571,346
1985/86	44,665 4,444[1]	66,414,967	724,549	95,445,475	—	2,912	15,217,071	1,046 —	202 2[2]	11,586 55[2]	83,497,418	16,134,144
1986/87	45,019 5,020[1]	68,098,735	709,287	98,081,069	—	2,946	16,765,461	1,022 22[2]	203 3[2]	12,405 74[2]	91,110,174	19,212,431
1987/88	44,652 4,984[1]	71,128,866	1,090,521	145,005,832	—	3,280	19,083,368	1,284 2[2]	180 —	13,509 76[2]	99,960,875	22,686,939
1988/89	41,820 5,590[1]	68,694,360	2,475,374	101,778,795	—	4,208	22,790,074	2,686 2[2]	252 —	15,943 78[2]	134,086,441	26,640,639
1989/90	43,355 6,500[1]	76,014,454	1,108,761	109,555,847	—	3,688	19,654,786	646 3[2]	189 1[2]	16,400 80[2]	136,762,678	31,149,521

[1] Non-active — out of service but account remains at credit.

[2] Allowances in respect of former Members of the Legislative Assembly.

[3] Member and employer contributions increased by 0.5% of salary effective October 1, 1980. Effective April 1, 1982, employer contributions were increased a further 2.5% of salary.

[4] Effective October 1, 1980, member and employer contributions each of 1.25% of salary are being credited to the Inflation Adjustment Account and used to finance the capitalized value of inflation adjustment supplements granted each January 1st.

[5] Included in the superannuation allowances granted for 1984/85 are 128 former contributors to the Pacific Coach Lines Ltd. Employees' Retirement Plan who are eligible to receive pension benefits paid under the *Pension (Public Service) Act*.

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 4

Comparative Statistics, April 1, 1980 to March 31, 1990

Subdivided According to Sex of Contributor

Fiscal Year	Number of Contributors		Number of Refunds Granted		Allowances					
					Number of Allowances Granted		Number of Deaths and Expirations		Number of Allowances in Force At End of Year	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
1980/81	28,538	19,319	1,760	2,315	484	225	89	62	5,405	1,809
Non-active	1,661	1,979								
1981/82	28,791	20,266	2,324	2,824	626	202	49	37	5,982	1,974
Non-active	1,757	2,187								
1982/83	29,197	21,199	1,128	1,717	630	196	110	37	6,502	2,133
Non-active	1,944	1,927								
1983/84	28,584	20,471	1,354	2,094	722[1]	239	123[1]	37	7,101[1]	2,335
Non-active	1,968	1,971								
1984/85	26,383	18,752	2,132	2,756	1,151[2]	358[2]	119	27	8,133	2,666
Non-active	2,017	2,062								
1985/86	26,071	18,594	1,244	1,668	730	316	157	47	8,706	2,935
Non-active	2,157	2,287								
1986/87	26,148	18,871	1,290	1,656	756	288	153	53	9,309	3,170
Non-active	2,405	2,615								
1987/88	25,650	19,002	1,445	1,835	916	370	138	42	10,087	3,498
Non-active	2,412	2,572								
1988/89	23,173	18,647	2,327	1,881	1,877	811	202	50	11,762	4,259
Non-active	2,723	2,867								
1989/90	23,190	20,165	2,028	1,660	450	199	158	32	12,054	4,426
Non-active	3,124	3,376								

Non-active — out of service but account remains at credit.

[1] 1983/84 statistics restated to account for an adjustment in MLA pensioners, restated to account for pension reinstatements.

[2] 1984/85 new allowances granted include 101 male and 17 female pensioners transferred to the pension fund in respect of the transfer from the Pacific Coach Lines Ltd. Employees' Retirement Plan.

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 5

Normal Allowances Granted April 1, 1989 to March 31, 1990

SUBDIVIDED BY YEARS OF SERVICE AND VALUE OF ALLOWANCE

Years of Service	Number of Allowances Granted	Average Salary During Last Five Years	Average Annual Allowance on Single Life Plan	Average Value of Allowance	Average Member Share	Average Employer Share
		$	$	$	$	$
Under 10 years	121	29,448	1,851	21,556	6,864	14,693
10–14	105	30,804	5,300	61,829	20,465	41,365
15–19	66	33,456	7,720	91,976	29,675	62,301
20–24	47	33,648	10,175	120,270	34,853	85,417
25–29	48	40,152	16,708	191,015	45,452	145,563
30–34	38	38,388	20,312	240,263	51,853	188,409
35 and over	22	40,812	23,988	302,604	54,641	247,962
AVERAGE OF NORMAL ALLOWANCES GRANTED DURING YEAR:						
	61 (Age)	33,276	8,657	102,415	26,689	75,726
TOTAL VALUE OF NORMAL ALLOWANCES GRANTED DURING YEAR:						
	447	—	322,480	45,779,465	11,930,175	33,849,390

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 6

Normal Allowances Granted April 1, 1989 to March 31, 1990

GRANTED TO FORMER CONTRIBUTORS WHOSE MAXIMUM RETIREMENT AGE WAS 65

Years of Service	Age at Retirement											Total	Percent
	55 & Under	56	57	58	59	60	61	62	63	64	65 & Over		
Under 10	6	4	7	4	4	12	8	6	7	6	39	103	24
10–14	15	7	5	6	9	14	4	12	13	9	19	113	26
15–19	10	9	4	9	3	8	2	5	5	1	15	71	16
20–24	12	—	1	4	3	2	3	6	2	2	10	45	10
25–29	12	4	1	3	3	7	5	2	3	2	6	48	11
30–34	10	1	3	1	2	4	—	1	1	2	2	27	6
35 and over	24	—	4	1	—	1	—	—	—	—	1	31	7
Total	89	25	25	28	24	48	22	32	31	22	92	438	—
Percent	21	5	6	7	5	11	5	7	8	5	20	—	100

GRANTED TO FORMER CONTRIBUTORS WHOSE MAXIMUM RETIREMENT AGE WAS 60

Years of Service	Age at Retirement											Total	Percent
	50 & Under	51	52	53	54	55	56	57	58	59	60 & Over		
Under 10	—	—	—	—	—	—	—	—	—	—	1	1	12
10–14	—	—	—	—	—	—	—	1	1	—	1	3	33
15–19	—	—	—	—	—	—	—	—	—	—	—	—	—
20–24	2	—	—	—	—	—	—	—	—	—	—	2	22
25–29	—	—	—	—	—	—	—	—	—	1	—	1	11
30–34	—	—	—	1	—	—	—	—	—	—	—	1	11
35 and over	1	—	—	—	—	—	—	—	—	—	—	1	11
Total	3	—	—	1	—	—	—	1	1	1	2	9	—
Percent	33	—	—	12	—	—	—	11	11	11	22	—	100

Allowances Other Than Normal Granted April 1, 1989 to March 31, 1990

Number of Allowances Granted	Death	Disability	Deferred
199	40	90	69

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 7

Approved and Reciprocal Employers as at March 31, 1990

APPROVED EMPLOYERS

Section 18 (4) (a) provides for the granting of a deferred allowance to a contributor who within three years of his last contribution to the Fund enters the employment of one or more of the following employers, remains in employment long enough to qualify for a monthly pension benefit and has at least 10 years combined contributory service under this plan and the pension plan of the approved employer —

	Effective Date
Bricklayers and Masons Pension Plan	November 16, 1984
B.C. Agricultural Research and Development Corporation Ltd.	July 29, 1987
B.C. Central Credit Union	December 4, 1974
B.C. Railway Company	June 10, 1963
B.C. Rapid Transit Company Ltd. — Management Employees	July 25, 1985
B.C. Research Council	March 3, 1988
B.C. Government Employees' Union	March 1, 1990
City of Calgary	July 13, 1972
Federal Business Development Bank	July 29, 1987
Government of Canada Public Service Superannuation Plan	June 24, 1955
HTS Hi-tech Systems Ltd.	December 20, 1984
Legislative Assembly of the Province of British Columbia	June 10, 1963
OMNI — Script Services Ltd.	March 1, 1990
Pacific Coach Lines (formerly Vancouver Island Coach Lines)	April 1, 1979
Pacific Press Limited	July 14, 1960
The Plumbing and Pipefitting Workers Local 170 Pension Plan	August 30, 1988
Simon Fraser University	September 18, 1980
University of British Columbia	August 20, 1962
University of Saskatchewan Research Pension Plan	October 29, 1986
University of Toronto	November 26, 1986
University of Victoria	December 21, 1970

AGREEMENTS NEGOTIATED WITH OTHER EMPLOYERS

Section 38 (4) provides that the Commissioner may enter into an agreement to protect pension rights in respect of an employee who transfers to or from the service of the following employers —

Bel Maintenance Inc.	January 5, 1989
Bel Power Inc.	March 23, 1990
B.C. Hydro and Power Authority	September 14, 1970
Canada Museums Construction Corporation (designated employees)	January 5, 1987
Canadian Broadcasting Corporation	July 2, 1981
Central Mortgage and Housing Corporation	March 6, 1975
City of Winnipeg	May 26, 1989
Coquitlam School District No. 43 (Non-Teaching)	April 25, 1988
Government of Canada	June 24, 1955
HTS Hi-tech Systems Ltd.	December 20, 1984
Province of Alberta	October 19, 1976
Province of Alberta — Management Positions	May 5, 1977
Province of Manitoba	February 17, 1975
Province of New Brunswick	December 11, 1974
Province of Newfoundland	September 23, 1980
Province of Nova Scotia	September 29, 1986
Province of Ontario	August 4, 1971
Province of Prince Edward Island	March 1, 1979
Province of Saskatchewan (employees prior to Oct. 1, 1977)	May 2, 1977

RECIPROCAL EMPLOYERS

Section 16 provides for the method of calculating the monthly pension benefit for an employee who within three years of making his last contribution to the Fund transfers to or from the service of the following British Columbia reciprocal employers and commences contributing to the pension plan —

An employer under the *Pension (College) Act*	April 1, 1973
An employer under the *Pension (Municipal) Act*	April 1, 1973
An employer under the *Pension (Teachers) Act*	April 1, 1973
Workers' Compensation Board	June 5, 1974
B.C. Rail Ltd.	October 20, 1989

PUBLIC SERVICE SUPERANNUATION FUND

SCHEDULE 8

Approved Group Disability Salary Continuance Plans as at March 31, 1990

APPROVED PLANS

Section 1 provides for the approval of group disability salary continuance plans by the Provincial Secretary. Section 15 (7) provides that any period during which a contributor receives benefits from an approved plan, is treated as a period of pensionable service for the purposes of the *Pension (Public Service) Act* in respect of the following employers —

Employer	Date Plan Approved
B.C. Assessment Authority	October 14, 1976
B.C. Enterprise Corporation	April 10, 1984
B.C. Government Employees' Union	May 27, 1981
B.C. Housing Management Commission	July 6, 1981
B.C. Institute of Technology	July 25, 1977
B.C. Pavilion Corporation	May 10, 1988
Emergency Health Services Commission	January 6, 1978
Metro Transit Operating Company	June 10, 1980
Pacific Coach Lines Ltd.	October 24, 1984
Public Service Long Term Disability Plan	April 26, 1978
Workers' Compensation Board (Boards of Review)	October 10, 1980

PENSION (PUBLIC SERVICE) ACT

SCHEDULE 9

DEATH BENEFITS FUND

SECTION 43–46

Any contributor who is eligible for an allowance under the *Pension (Public Service) Act* or the *Legislative Assembly Allowances and Pension Act* may elect, on or before the day on which their allowance is granted, to purchase insurance coverage under the Death Benefits Fund. The cost to each contributor is $1.00 per month. Benefits payable upon death are dependent on the age of the participant:

	$
Less than 66	1,000
66 but not 67	900
67 but not 68	800
68 but not 69	700
69 but not 70	600
70 or over	500

Summary of Claims Paid for the Year Ended March 31, 1990

Number of Claims	Amount of Claims	Total
	$	$
166	500	83,000
10	600	6,000
10	700	7,000
18	800	14,400
19	900	17,100
56	1,000	56,000
279		183,500

Summary of Sources of Funds for the Year Ended March 31, 1990

	$
Contributions by superannuants	139,059
Contributions by Government	44,441
	183,500

11,660 superannuants were contributing as at March 31, 1990.

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